

PART V-A. Home Solicitation of Aged Persons

§3541.21. Definitions

In this Part, the following words and terms have these meanings:

- (1) “Aged person” means a natural person who is sixty-five years of age or older.
- (2) “Consumer” means a natural person who purchases goods, services, or movable or immovable property or rights therein, for a personal, family, household, or agricultural purpose and includes a purchaser or buyer in a consumer credit sale or transaction made with the use of a seller credit card or otherwise, or a borrower or debtor in a consumer loan, revolving loan account, or a lender credit card.
- (3) “Disabled person” means a natural person who has a physical or mental impairment which substantially limits one or more major life activities.
- (4) “Goods” means tangible objects bought or leased for use primarily for a personal, family, or household purpose, including certificates or coupons exchangeable for these goods which, at the time of the sale or subsequently, are to be so affixed to immovable property as to become a part of the immovable property whether or not severable therefrom.
- (5) “A home solicitation sale” is a consumer credit sale of goods or services or both, other than motor vehicles, farm equipment, or services, in which the seller or a person acting for him engages in a personal solicitation of the sale at any place other than the business establishment of the seller and a consumer’s agreement or offer to purchase is given to the seller or a person acting for him. This definition shall include all telephone sales in which the seller has initiated contact regardless of his location, and the consumer’s agreement to purchase is made at the consumer’s home. It does not include a sale made pursuant to a preexisting revolving charge account, a catalogue credit sale, a preexisting consumer credit sale agreement providing for a series of sales, or a sale made pursuant to prior negotiations between the parties at a business establishment at a fixed location where goods or services are offered or exhibited for sale, or a sale that may have been initiated by the consumer by communication with the seller at his business establishment.
- (6) “Person” means an individual, partnership, corporation, limited liability company, association, or other group, however organized.
- (7) “Services” means work, labor, and services for other than a commercial or business and including services furnished in connection with the sale or repair of goods.
- (8) “Transaction” means an agreement between a consumer and any other person, whether or not the agreement is a contract enforceable by action, and includes the making of, and the performance pursuant to, that agreement.

§3541.22. Prohibited practices

A. The home solicitation of any consumer where a loan is made encumbering the primary residence of that consumer for the purposes of paying for home improvements and where the transaction is part of a pattern or practice in violation of either Subsection (h) or

(i) of Section 1639 of Title 15 of the United States Code or Subsection (e) of Section 226.32 of Title 12 of the Code of Federal Regulations is prohibited.

B. A third party holder in due course of a loan made in violation of Subsection A of this Section shall not be in violation of the prohibitions in this Section unless there was an agency relationship between the person who engaged in home solicitation and the third party holder, or the third party holder had actual knowledge of or participated in the transaction.